

DATE IN <u>2/17/09</u>	SUSPENSE	ENGINEER <u>D. Brooks</u>	LOGGED IN <u>2/17/09</u>	TYPE <u>NSL</u>	APP NO. <u>PKA0904840932</u>
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RECEIVED

ABOVE THIS LINE FOR DIVISION USE ONLY

2009 FEB 17 AM 9 35  
**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



30-039-30033  
 Williams Prod. Co.  
 120782  
 Indiant #1A  
 6010

## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Heather Riley  
 Print or Type name

Heather Riley  
 Signature

Regulatory Specialist  
 Title

2/16/09  
 Date

heather.riley@williams.com  
 e-mail Address



P. O. Box 640  
Aztec, NM 87410  
(505) 634-4222  
(505) 634-4205 (fax)  
Heather.riley@williams.com

February 12, 2009

Mark E. Fesmire  
NEW MEXICO OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

*Re: Request for Administrative Approval for Non-Standard Mesa Verde Location  
Indian H #1A  
API # 30-039-30033  
Sec. 15, T28N, R3W  
990' FNL & 2000' FWL*

Dear Mr. Fesmire:

Williams Production Co., LLC, is requesting administrative approval to construct the Indian H #1A as a stand alone Mesaverde in a non-standard location. Pursuant to Order No. R-10987-A, wells drilled on a GPU shall be located not closer than 660 feet to the South and North lines nor closer than 660 feet to the East and West lines of a GPU and not closer than 10 feet to any interior quarter of quarter-quarter section line or subdivision inner boundary. Given these requirements, this location is non-standard to the east by 24.92 feet.

This surface location was picked due to archeological sites which were identified by the tribal approved archeologist. Please see the signed statement at the bottom of this letter from the Jicarilla Oil & Gas Administration.

The offset unit, E/2 of Section 15, T28N, R3W is contained in the same lease, therefore Williams Production Company is the offset operator so this non-standard location will not affect any other operators.

The offset unit's working interest and mineral owners to the east are common with the subject unit and there are no unleased minerals; therefore notice to affected persons is not required.

The spacing unit for the Mesaverde is the east half of the section and the Indian H #1 is the only other Mesaverde well in the spacing unit.

Mark E. Fesmire  
February 12, 2009  
Page 2 of 2

Should you have any questions or concerns, please don't hesitate to contact me at the phone numbers listed above. You can also contact Vern Hansen at our Tulsa office at (918) 573-6169.

Sincerely,

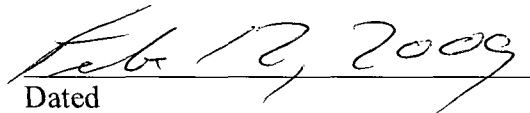
Heather Riley  
Regulatory Specialist

Enc.: 1<sup>st</sup> page of APD  
Plat  
Topographic map

I, Ken Scott, state that I am the Director of the Jicarilla Oil & Gas Administration and I confirm that this location was chosen based on archeological constraints. I further waive any objections to this non-standard location.



Ken Scott  
Jicarilla Oil & Gas Administration, Director



Dated

D:TK  
C:File

C:Ogma  
C:Dir  
C:RIS/2

C:WFS  
C:MYM/TL

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. Jicarilla Apache Contract #60
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Jicarilla Apache Nation
2. Name of Operator Williams Production Company, LLC		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 640 Aztec, NM 87410	3b. Phone No. (include area code) (505) 634-4208	8. Lease Name and Well No. Indian H #1A
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 990' FNL & 2000' FWL At proposed prod. zone same		9. API Well No. 30-039-30033
14. Distance in miles and direction from nearest town or post office* 16 miles from Lindrith, NM		10. Field and Pool, or Exploratory Blanco MV
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 635'	16. No. of Acres in lease 320	11. Sec., T., R., M., or Blk. and Survey or Area Section 15, T28N R3W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2640'	19. Proposed Depth 6,478'	12. County or Parish Rio Arriba
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7,074' GF	22. Approximate date work will start* November 1, 2005	13. State NM
20. BLM/BIA Bond No. on file B001576		
23. Estimated duration 1 month		
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Larry Higgins</i>	Name (Printed/Typed) Larry Higgins	Date 8-16-06
Title Drilling COM		
Approved by (Signature) <i>Monte Lopez</i>	Name (Printed/Typed) Monte Lopez	Date 10/31/08
Title AFM	Office FTD	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

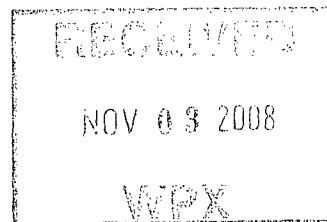
Williams Production Company, LLC, proposes to drill a vertical well to develop the Blanco Mesa Verde formation at the above described location in accordance with the attached drilling and surface use plans.

The surface is located on Jicarilla Apache Nation lands.

This location has been archaeologically surveyed by Velarde Energy.

4419.7 foot pipeline tie would be required for this location and it is also located on Jicarilla Apache Nation Lands.

4000' new access road will be needed to access this well.



OPERATOR

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3

**District I**

1635 N. French Dr., Hobbs, NM 88240

**District II**

1801 W. Grand Avenue, Artesia, NM 88210

**District III**

1000 Rio Benito Rd., Aztec, NM 86820

**District IV**

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-402

Revised June 10, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

*API Number		*Pool Code 72319	*Pool Name BLANCO MESA VERDE
*Property Code	*Property Name INDIAN H		*Well Number 1A
*GRID No. 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 7074

**10 Surface Location**

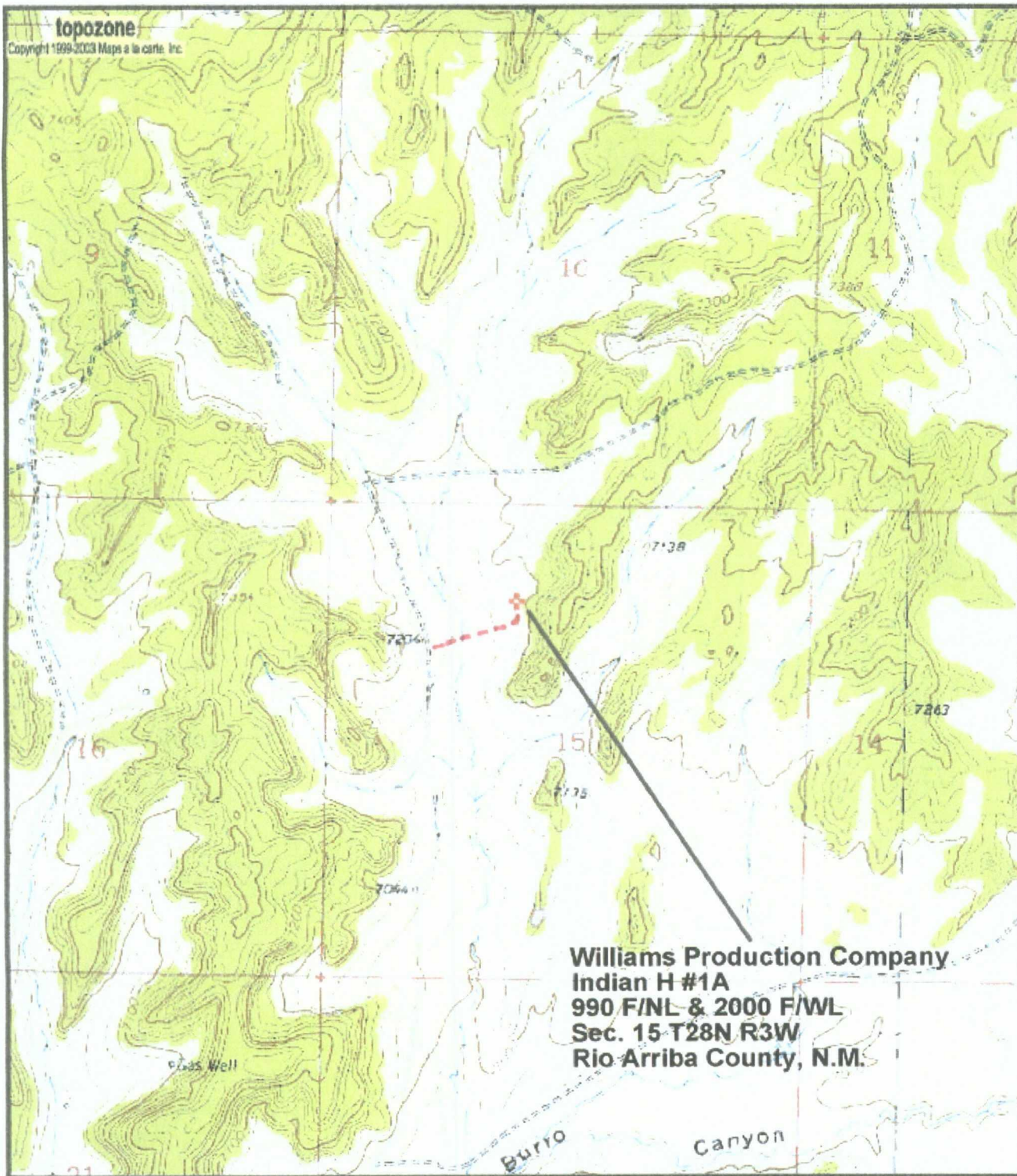
*T. or lot no. C	*Section 15	*Township 28N	*Range 3W	*Lot No.	*Feet from the 990	*North-South line NORTH	*Feet from the 2000	*East-West line WEST	*County RIO ARriba
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**12 Bottom Hole Location: If Different From Surface**

*T. or lot no.	*Section	*Township	*Range	*Lot No.	*Feet from the	*North-South line	*Feet from the	*East-West line	*County
*Dedicated Acres: 320 Ac. (W2)	*Joint or Leasing	*Consolidation Code	*Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>13</p>	<p>5270.16</p>		<p><b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title and Email Address _____</p> <p>Date _____</p>
	<p>15</p>		<p><b>18 SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>November 21, 2005</p> <p></p>



0 0.3 0.6 0.9 1.2 1.5 km

0 0.2 0.4 0.6 0.8 1 mi

Map center is 36° 38' 39"N, 107° 08' 25"W (WGS84/NAD83)

Leandro Canyon quadrangle

Projection is UTM Zone 13 NAD83 Datum

\*M  
G  
M=10.659  
G=-1.278